



*Chapter 3*

## **Our Financial Results**



*We grow in a dynamic and sustainable way, providing value to all our stakeholders*

Our financial and administrative management strategies make us a model for profitability and efficiency

### 3. Our Financial Results

Pursuant to the commitment that Banco de Bogotá has with society and the development of the Colombian economy, the Bank undertakes management according to the following principles:

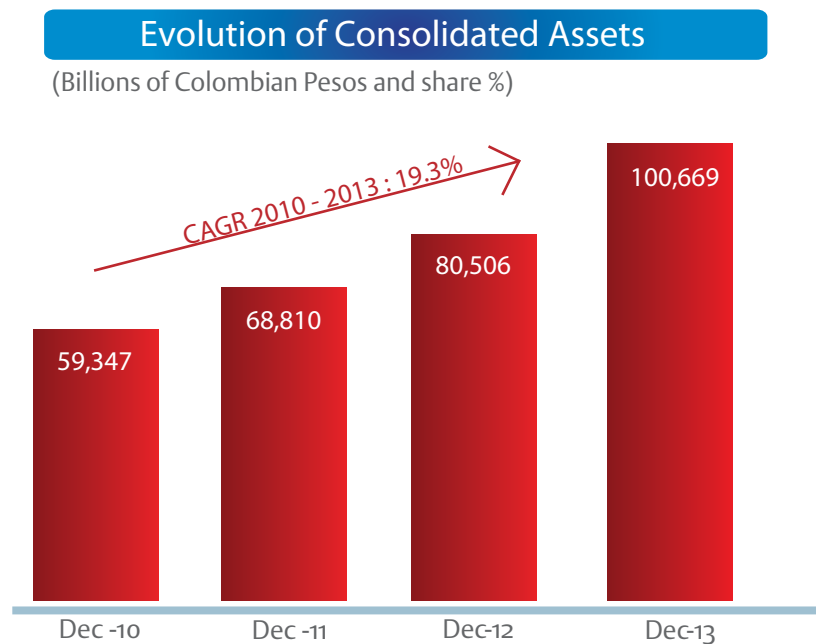
- We abide by the highest ethical standards.
- We pursue to be sustainable in the long term.
- We make cautious decisions.
- We are guided by strategy.
- We are profitable.



#### Consolidated Results for December 2013

The Bank has a solid presence in the Colombian and Central American markets, based on a diversified loan portfolio, experience in risk management, low funding cost, and operational efficiency. This has enabled it to achieve stable business results. The consolidated profitability indicators, ROAA and ROAE, are outstanding within the financial sector.

The annual compounded asset growth between December 2010 and December 2013 (19.3%) has been accompanied by adequate management indicators. In the Bank's results for the close of December 2013, the increase of 28.0% in net loans is to be highlighted. This contributed to the growth of the consolidated assets, which reached COP 100,669 billion.



### Banco de Bogotá Consolidated – Main Balance Sheet Figures

(Billions of Colombian Pesos)	Dec- 2010	Dec- 2011	Dec- 2012	Dec- 2013
<b>Total Assets</b>	<b>59,347</b>	<b>68,810</b>	<b>80,506</b>	<b>100,669</b>
Total Loans and Financial Leasing, Net <sup>(1)</sup>	32,518	38,936	44,212	56,583
Investments in Debt Securities, Net	9,379	9,381	13,235	14,693
Investments in Equity Securities, Net	2,433	2,778	3,671	3,656
<b>Total Liabilities</b>	<b>55,428</b>	<b>61,964</b>	<b>72,705</b>	<b>90,772</b>
Total Deposits	37,992	43,367	51,022	64,094
<b>Equity</b>	<b>3,918</b>	<b>6,846</b>	<b>7,802</b>	<b>9,897</b>

(1) Includes employee loan portfolio

### Banco de Bogota Consolidated - Statement of Earnings

(Billions of Colombian Pesos)	2010	2011	2012	2013
Net Interest Income <sup>(1)</sup>	2,443	2,937	3,487	3,983
Loan Provisions, Loan Interest and Other Accounts Receivable, Net	320	484	555	821
Total Provisions, Net	611	139	515	778
Total Income from Commissions and Other Services, Net	1,155	1,757	1,884	2,249
Total Operating Expenses	1,758	2,968	3,199	3,782
<b>Net Profit Attributable to Shareholders</b>	<b>915</b>	<b>1,146</b>	<b>1,326</b>	<b>1,400</b>

(1) Net interest income by 2012, following the reclassification of Interest Rate Coverage Derivatives carried out since June 2013.

#### Assets

Of the total **Consolidated Assets**, 56.2% corresponds to the net loans portfolio, 18.2% to net investments, 9.7% to cash and cash equivalents, 2.5% to interbank funds, and 13.4% to other assets.

Banco de Bogotá's consolidated assets grow **25.0%** annually, and have reached **COP 101 trillion**.



The **Gross Loan Portfolio**<sup>9</sup> increased COP 12,757 billion between December 2012 and 2013 (28.1%), reaching a total of COP 58,222 billion. The positive trend of the commercial loan portfolio (26.1%), the consumer loan portfolio (28.3%) and the mortgage portfolio (56.3%) should be highlighted.

Banco de Bogotá's **Investments** added up to COP 18,345 billion at December 31, 2013. This portfolio is comprised mainly of fixed income investments (debt securities), which account for 80% of the total. The remaining 20% corresponds to investments in equity securities instruments, carried out mainly through the Corporación Financiera Colombiana.

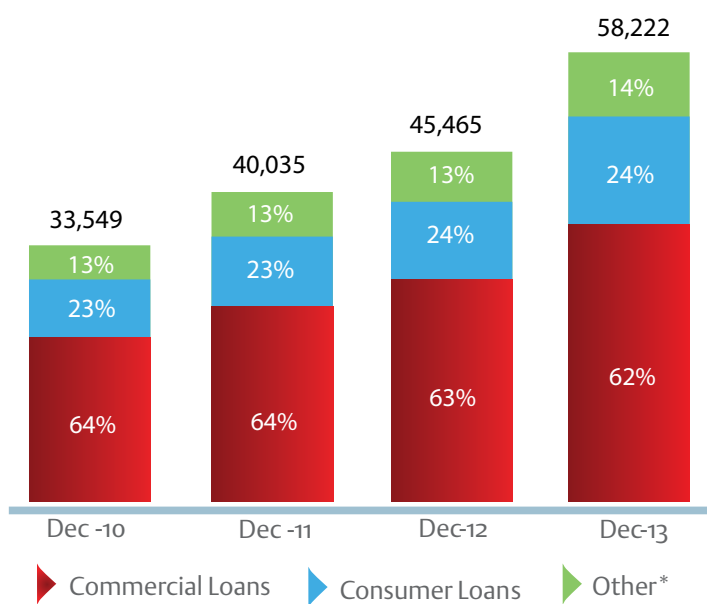
### Liabilities

The Bank's funding strategy is primarily focused on deposits from customers, complemented by long term resources through debt and bond issues.

The **Deposits**, 70.6% of liabilities, present an annual increase of 25.6%, amounting to COP 64,094 billion at the close of 2013. Total consolidated Liabilities of Banco de Bogotá at December 31, 2013 amounted to COP 90,772 billion, 24.9% growth.

#### Evolution and Gross Loans Mix

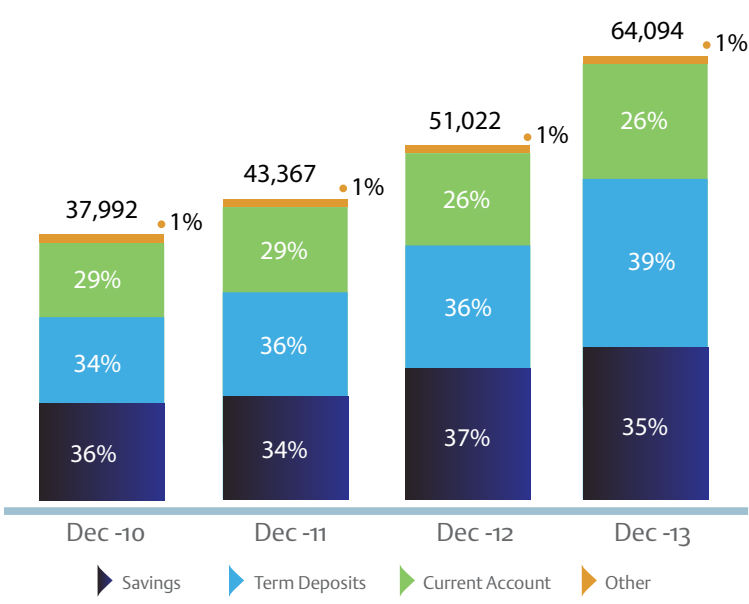
(Billions of Colombian Pesos and share %)



\*Other includes mortgages, microcredit and financial leases

#### Evolution and Deposits Mix

(Billions of Colombian Pesos and share %)



### Equity

The consolidated equity of COP 9,897 billion at December 31, 2013 was strengthened by the issue of shares (COP 1,300 billion) carried out at the end of the year and by an increase in retained earnings of COP 755 billion (18.6%), compared to the end of December 2012.

<sup>9</sup> Includes the portfolio for the acquisition of Grupo Financiero Reformador and BBVA Panamá.

## Net Profit

The Consolidated Profit result, COP 1,400 billion, is derived from the annual increase in net interest income (14.2%), the net income from commissions and other services (19.4%), and from other operational income (50.0%), and is offset primarily by the increase in operational expenses, which grow annually by 18.2%.

### Evolution of Consolidated Profits

(Billions of Colombian Pesos and share %)



## Indicators

At December 31, 2013, the Bank's annual consolidated **Profitability Indicators** were situated at 2.1% for the ROAA and 15.8% for the ROAE.

The annual consolidated **Administrative Efficiency Ratio** for Banco de Bogotá improves when shifting from 49.6% in December 31, 2012, to 49.0% in December 31, 2013.

The consolidated **Solvency Ratio** in December 2013 was 11.2%, which resulted in part from the effect of the capitalization per issue of ordinary shares between November and December 2013, for an approximate amount of COP 1,300 billion.

The **Loan Quality Indicator** (past due loans/ gross loans) is situated at 2.3% at December 31, 2013, increasing by 20 basis points compared to December 31, 2012, which is in line with the growth recorded for consumer loans. The **Loan Coverage Indicator** for provisions for past due loans is 122.0%.

### Banco de Bogotá Consolidated - Main Indicators

	Dec-2012	Dec-2013
<b>Profitability Ratios</b>		
Net Interest Margin <sup>(1)</sup>	6.0%	5.9%
ROAA <sup>(2)</sup>	2.3%	2.1%
ROAE <sup>(3)</sup>	18.1%	15.8%
<b>Administrative Efficiency</b> <sup>(4)</sup>	49.6%	49.0%
<b>Solvency Ratio</b> <sup>(5)</sup>	13.1%	11.2%
<b>Loan Quality</b>		
Non-performing Loans / Gross Loans <sup>(6)</sup>	1.5%	1.6%
Past Due Loans / Gross Loans <sup>(7)</sup>	2.1%	2.3%
Loan Provision / Past Due Loans	132.2%	122.0%
Loan Provision / Gross Loans	2.8%	2.8%

(1) Net Interest Income, Annualized / Average of Performing Assets (Interest earning assets).

(2) Net Profit for the period, Annualized / Average of Assets at end of current period and end of previous period.

(3) Net Profit attributable to shareholders, Annualized / Average of Equity at end of current period and end of previous period

(4) Operating Expenses before Depreciation and Amortization / Total Operating Income before Provisions.

(5) Technical Capital / Risk-weighted Assets.

(6) Non-performing Loans: microcredit 31 or more days overdue, mortgage and consumer loans 61 or more days overdue and commercial loan 91 or more days overdue.

(7) Past due loans: 31 or more days overdue.

Through its affiliates and international operations, Banco de Bogotá continues to consolidate its position as one of the most important financial groups in Colombia and Central America.

Outstanding consolidated profitability indicators for the Bank, with **2.1% ROAA** and **15.8% ROAE**.

## Non-consolidated Results for December 2013

Banco de Bogotá achieved good performance in its operations in Colombia in 2013, increasing its assets to COP 57,327 billion and generating net profits of COP 1,418 billion, results that strengthen its position as the Bank with the best return on assets among comparable banks within the Banking System.

### Banco de Bogotá Non-consolidated - Balance Sheet

(Billions of Colombian Pesos)	Dec- 2010	Dec- 2011	Dec- 2012	Dec- 2013
<b>Total Assets</b>	<b>37,364</b>	<b>43,265</b>	<b>49,589</b>	<b>57,327</b>
Loans and Financial Leasing, Net <sup>(1)</sup>	21,407	26,057	30,311	34,628
Investments in Debt Securities, Net	4,957	4,488	5,094	5,366
Investments in Equity Securities, Net	5,878	6,237	6,525	8,906
<b>Total Liabilities</b>	<b>32,207</b>	<b>35,165</b>	<b>40,191</b>	<b>45,773</b>
Total Deposits	23,888	28,009	33,700	38,372
<b>Equity</b>	<b>5,156</b>	<b>8,100</b>	<b>9,397</b>	<b>11,554</b>

(1) Includes employee's loan portfolio.

### Banco de Bogotá Non-consolidated - Statement of Income

(Billions of Colombian Pesos)	2010	2011	2012	2013
Net Interest Income	1,571	1,740	2,184	2,408
Loan Provisions, Loan Interest and Other Accounts Receivable, Net	317	304	408	571
Total Provisions, Net	287	257	365	521
Total Income from Commission and Other Services, Net	507	504	522	588
Total Operating Expenses	1,158	1,304	1,470	1,725
<b>Net Profit</b>	<b>782</b>	<b>1,100</b>	<b>1,351</b>	<b>1,418</b>

## Assets

**Asset** performance was influenced by the gross loan portfolio, which grew 14.3% to reach COP 35,810 billion, together with net investments, which increased 22.8% to reach COP 14,272 billion.

The structure of **Gross Loans** remains at 74% in commercial loans and 19% in consumer loans. Outstanding growth can be observed in mortgage loans, microcredit and financial leasing, which reached 7% of total loans, reporting annual growth of 335.4%, 23.1% and 11.3% respectively.

The portfolio of **Fixed Income Investments** amounted to COP 5,366 billion and grew 5.3% compared to the previous year, mainly due to an increase in marketable investments. In December 2013, 52% of this portfolio was classified as available for sale, 26% until maturity, and the remaining 22% was classified as marketable.

Meanwhile, the portfolio of **Equity Securities Investments**, net of provisions, is at COP 8,906 billion, a figure 36.5% higher than in December 2012. The growth of these investments corresponds mainly to the purchase of BBVA Panamá, at an approximate value of USD 500 million, through our affiliate, Leasing Bogotá Panamá. The Bank also increased its investment in Corfi-colombiana and Porvenir, through the distribution of dividends in shares in these entities to a value of COP 632 billion.

## Liabilities

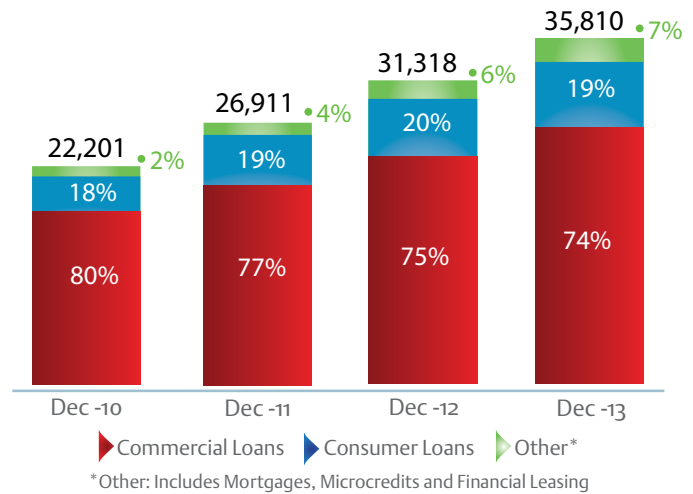
The Bank's **Liabilities**, which amounted to COP 45,773 billion in December 2013, grew 13.9% compared to the previous year. Of that, 84% corresponds to deposits that maintain an efficient mix compared to 2012: 23% current account, 48% savings and 28% TDs. Likewise, the issuance of subordinated bonds on the international market at a value of USD 500 million in February, in favorable conditions is worth highlighting.

## Equity

Equity on the non-consolidated balance sheet, at COP 11,554 billion, showed a significant increase of COP 2,157 billion during the year, thanks to various actions: capitalization of COP 1,300 billion, non-distributed profits for the fiscal year corresponding to the second semester of 2012 and the first semester of 2013, which were appropriated as reserves, and appropriation of fiscal year profits of the first semester of 2013 as occasional reserves (COP 452 billion), on which a minimum commitment of permanence of 5 years for COP 406 billion was made, as an additional measure for strengthening equity.

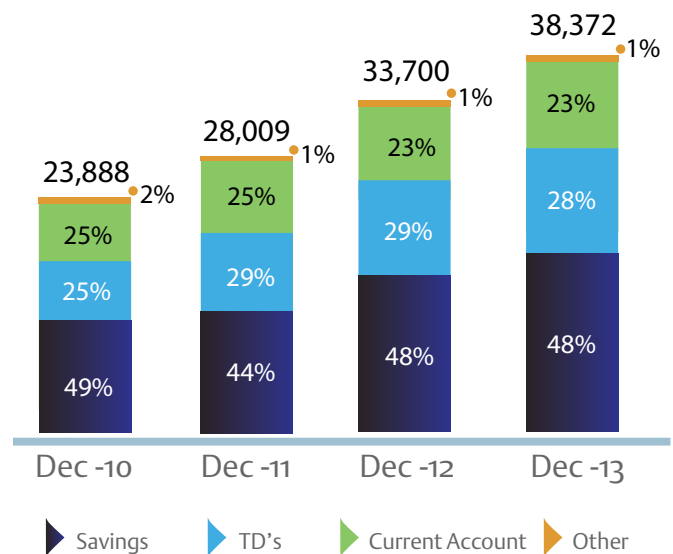
## Evolution and Gross Loans Mix

(Billions of Colombian Pesos and share %)



## Evolution and Deposits Mix

(Billions of Colombian Pesos and share %)





## Net Profit

In 2013, Banco de Bogotá reached **Net Profits** of COP 1,418 billion, which represents an annual growth of 5.0%. The result generated by the Bank corresponds to 21.9% of total profits of the Banking System.

## Main Management Indicators

The Bank's **Profitability Indicators** are situated at 2.7% in ROAA and 14.3% in ROAE, maintaining outstanding levels compared to the banking system, which is placed at 1.8% and 13.1% respectively.

The financial results reached by the Bank translate to an **Efficiency Indicator** of 38.6%, which maintains it as one of the most efficient in the Banking System.

The Bank's **Solvency Ratio** went from 15.9% in December 2012 to 18.3% in December 2013.

The level of past due loans compared to the total gross loans or **Loan Quality Indicator** went from 2.1% in 2012 to 2.2% in 2013, maintaining a better performance compared to the Banking System, which is situated at 2.8%. Loan provisions grew 17.3%, generating a **Portfolio Coverage Indicator** of 153.0%.

## Banco de Bogotá Non-consolidated - Main Indicators

	Dec-2012	Dec-2013
<b>Profitability Ratios</b>		
ROAA <sup>(1)</sup>	2.9%	2.7%
ROAE <sup>(2)</sup>	15.6%	14.3%
<b>Administrative Efficiency</b> <sup>(3)</sup>	38.0%	38.6%
<b>Solvency Ratio</b> <sup>(4)</sup>	15.9%	18.3%
<b>Loan Quality</b>		
Non-performing Loans / Gross Loans <sup>(5)</sup>	1.5%	1.7%
Past Due Loans / Gross Loans <sup>(6)</sup>	2.1%	2.2%
Loan Provision / Past Due Loans	156.0%	153.0%
Loan Provision / Gross Loans	3.2%	3.3%

(1) Net Profits of the year, Accumulated / Average of Assets.

(2) Net Profits of the year, Accumulated / Average of Equity.

(3) Operating Expenses before Depreciation and Amortization / Gross Financial Margin.

(4) Technical Capital / Risk-weighted Assets.

(5) Non-performing Loans: microcredit 31 or more days overdue, mortgage and consumer loans 61 or more days overdue and commercial loan 91 or more days overdue.

(6) Past due loans: 31 or more days overdue.

## Results for the Bank's Affiliates for December 2013

### BAC Credomatic, Inc.

At the end of December 2013, BAC Credomatic acquired Grupo Financiero Reformador of Guatemala through its subsidiary, Credomatic International Corporation (CIC). This acquisition strengthens BAC's position in the Guatemalan market, insofar as its scale and physical presence is increased in a country with great potential for growth in the region. Grupo Financiero Reformador adds its 110 branches and 95 ATMs to BAC's presence in Guatemala.

Although Banco de Bogotá S.A. made the acquisition of BBVA Panamá through its affiliate, Leasing Bogotá S.A. Panamá, the acquired entity will merge with BAC Panamá during the first semester of 2014. This purchase complements the current operations of BAC and its regional range of products. The acquisition contributes 19 branches and 26 ATMs to BAC's presence in Panamá.

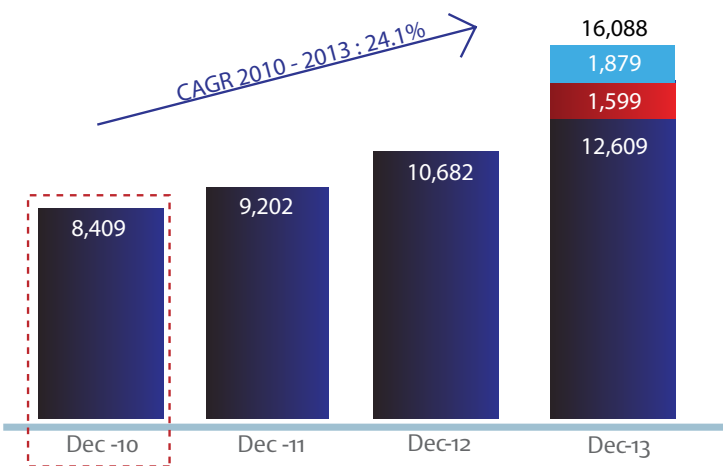
As of December 2013, BAC Credomatic presented **Assets** of USD 14,209 million, with an increase of 33.0% compared to the

same period the previous year (20.0% without considering the growth that corresponds to Grupo Reformador).

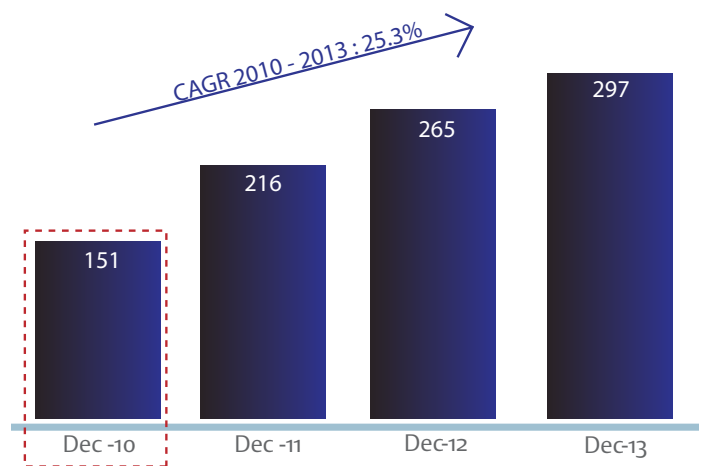
The **Portfolio** represents 63.9% of assets (USD 9,080 million) and grew 29.8% compared to the same period in 2012, including the contribution of Reformador (without the latter, its growth would be 16.0%). The behavior of the loans portfolio shows positive variations: in commercial loans 52.2% (20.0% without Reformador), consumer loans 20.1%, and mortgage loans 13.4% (without Reformador, 17.9% and 7.9% respectively).

**BAC Credomatic**  
strengthens its position in  
Central America by generating  
income and granting loans.

**Evolution of Assets**  
(Millions of Dollars)



**Evolution of Net Profit**  
(Millions of Dollars)



▶ Grupo Financiero Reformador ▶ Banco BAC de Panamá (previously BBVA Panamá)

◻ Acquisition of BAC Credomatic by Banco de Bogotá.

\*At the end of 2013, the assets of Grupo Financiero Reformador were consolidated with BAC Credomatic, while those of Banco BAC de Panamá shall be consolidated following the merger programmed for the first semester of 2014. As such, the impact of the acquisitions on profit shall be observed in the results for 2014.

### BAC Credomatic - Balance Sheet

#### Figures under US GAAP

(Millions of Dollars)	Dec-2012	Dec-2013
<b>Total Assets</b>	<b>10,682</b>	<b>14,209</b>
Total Loans and Financial Leasing, Net	6,998	9,080
Total Net Investments	750	988
<b>Total Liabilities</b>	<b>9,466</b>	<b>12,766</b>
Total Deposits	7,270	9,375
<b>Equity</b>	<b>1,216</b>	<b>1,443</b>

Figures for 2012 updated using the methodology used for 2013.

**Liabilities** reached USD 12,766 million, growing 34.9% compared to December 2012. Deposits are the main source of funds for BAC (73.4%) and during the past year grew 29.0% (13.0% without considering Reformador). Deposits are comprised of 38.7% current account, 19.9% savings account and 41.4% certificates of deposit.

### BAC Credomatic - Statement of Earnings

Figures under US GAAP	Accumulated	
(Millions of Dollars)	2012	2013
Net Interest Income	654	736
Total Provisions, Net	87	119
Total Income from Commissions and Other Services, Net	419	472
Total Operating Expenses	625	694
<b>Net Profit</b>	<b>265</b>	<b>297</b>

Figures for 2012 updated using the methodology used for 2013.

At December 2013, **Net Profit** was USD 297 million, 12.3% higher than those recorded in December 2012 (USD 265 million). This increase is mainly due to greater income from interest and commissions.

BAC Credomatic - Main Indicators		
	Dec-2012	Dec-2013
<b>Profitability Ratios</b>		
ROAA <sup>(1)</sup>	2.6%	2.3%
ROAE <sup>(2)</sup>	23.0%	21.6%
<b>Solvency Ratio</b>	<b>12.8%</b>	<b>12.1%</b>
<b>Loan Quality</b>		
Non-performing Loans / Gross Loans <sup>(3)</sup>	1.8%	1.2%
Past Due Loans / Gross Loans <sup>(4)</sup>	2.4%	2.3%
Loan Provision / Past Due Loans	70.7%	71.0%
Loan Provision/ Gross Loans	1.4%	1.4%

(1) Net profits for the year/ Average of assets at the end of the current period and the end of the previous period.

(2) Net profits for the year/ Average of equity for the end of the current period and the end of the previous period.

(3) Non-performing Loans: microcredit 31 or more days overdue, mortgage and consumer loans 61 or more days overdue and commercial loan 91 or more days overdue.

(4) Past due loans: 31 or more days overdue.

Figures for 2012 updated using the methodology used for 2013.

Source: Banco de Bogotá Consolidated Financial Statements.

## Banco BAC de Panamá (previously BBVA Panamá)<sup>10</sup>

In December 2013, Banco de Bogotá acquired 98.92% of the subscribed and outstanding shares in Banco Bilbao Vizcaya Argentaria (BBVA) of Panamá (BBVA Panamá), through Leasing Bogotá S.A. Panamá, at a value of USD 505 million. In the same month, the entity changed its name to Banco BAC de Panamá and during the first semester of 2014, it will merge with BAC Panamá.

As of December 2013, Banco BAC de Panamá had **Assets** of USD 1,879 million. **Loans** represents 75.4% of assets (USD 1,417 million) and is comprised of 46.6% commercial loans, 32.2% consumer loans and 21.2% mortgage loans.

**Liabilities**, at USD 1,689 million, are comprised mainly of **Deposits**, which represent 90.8% (USD 1,533 million), making them the main source of funds. The deposits are comprised of 22.2% current account, 11.5% savings account and 66.3% Certificates of Deposit.

As with Grupo Financiero Reformador, the contribution to results will not be reflected until 2014 since the entity was acquired at the end of 2013.

<sup>10</sup> This operation is included as a reference, since it does not yet form a part of BAC Credomatic given that at the close of December 2013, it was consolidated with Leasing Bogotá S.A. Panamá.

## Corporación Financiera Colombiana S.A. (Consolidated)

Corficolombiana is a company specialized in business areas such as investment banking, cash flow, private banking and capital investments. It has been focusing its market position on strategic sectors with low risk and predictable cash flows. Five of these sectors stand out: energy, infrastructure, agribusiness, hotel and financial sectors.

In the **Energy** sector, Corficolombiana has a share in companies that have the capacity to develop new projects and expand to new markets, such as: Promigas (44.8%), Concecol (100%), Gascop (87.6%), Empresa de Energía de Bogotá (3.6%) and Gas Natural (1.68%).

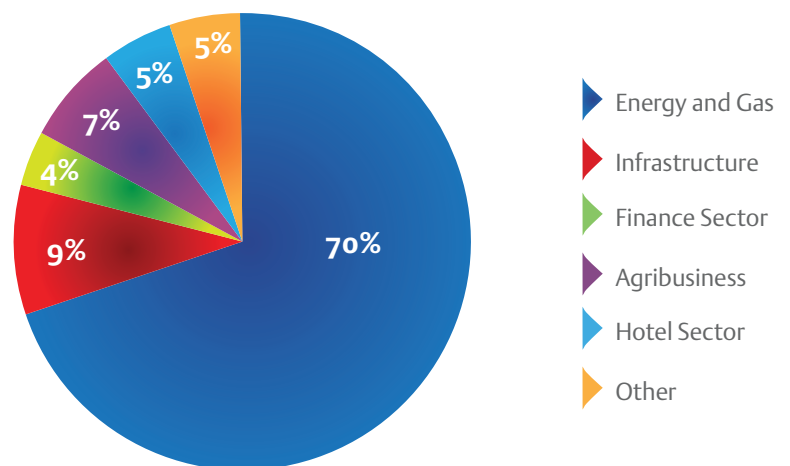
It is worth highlighting that during 2013, Promigas undertook the capitalization of the revaluation of equity, generating greater dividends for Corficolombiana of COP 93,040 million.

In **Infrastructure**, Corficolombiana is involved in the main projects of the country (Ruta del Sol, Concesión Panamericana and the Bogotá-Villavicencio dual carriageway) and during 2013, moved forward with preparations for participating in new projects such as the Villavicencio-Yopal corridor and the Autopistas para Prosperidad (Autopista al Mar2).

In the **Agribusiness** sector, Corficolombiana is actively participating in the production of timber, palm oil, rubber, rice and cotton. These business activities offer attractive long term returns and evidence opportunities for future growth. Pizano's entry into the Central American market in the second semester of 2013 stands out, in countries such as Panamá and Costa Rica. Moreover, Pajonales increased its portfolio's genetic range with 3 new lines of rice, following 8 years of research.

In the **Hotel Sector**, Corficolombiana holds 84.9% of the Estelar Hotels chain, the leading hotel chain in Colombia with 27 hotels and 3,230 rooms, distributed in 13 cities throughout Colombia, Panama and Peru. During the second semester of 2013, this entity strengthened its presence in the city of Bogotá, with its new operations, Estelar Calle 93 and Estelar Calle 100. And finally, the Corporation complements its portfolio of financial services in the **Financial Sector** with trust, leasing, securities brokerage, offshore banking and investment products.

### Corficolombiana - Investment by Sector





### Corficolombiana Consolidated - Main Balance Sheet Figures

(Billions of Colombian Pesos)	Dec- 2012	Dec- 2013
<b>Total Assets</b>	<b>13,069</b>	<b>14,061</b>
Loans and Financial Leasing, Net	756	797
Net Investments	7,157	7,341
<b>Total Liabilities</b>	<b>10,051</b>	<b>10,034</b>
Total Deposits	3,238	3,300
Money Market Operations	3,910	3,724
<b>Equity</b>	<b>3,018</b>	<b>4,027</b>
<b>Total Liabilities and Equity</b>	<b>13,069</b>	<b>14,061</b>

Source: Banco de Bogotá Consolidated Financial Statements.  
Figures presented according to the methodology defined by the Bank.

At December 2013, the Corporation recorded **Assets** of COP 14,061 billion, with annual growth of 7.6%. To be highlighted is the share in the **Investment** portfolio, which amounts to COP 7,341 billion and is comprised of 61.7% in debt securities, and 38.3% in equity securities. Compared to December of the previous year, the sale of 90.5% of the Corporation's share in Banco de Occidente stands out.

**Liabilities**, at COP 10,034 billion, are comprised mainly of deposits of COP 3,300 billion and money market operations of COP 3,724 billion. The latter decreased 4.8% compared to December 2012 (COP 3,910 billion), in line with the funding needs of the Corporation throughout the year. The **Equity** showed annual growth of 33.4%, amounting to COP 4,027 billion, according with greater valuations recorded due to the investment that Corficolombiana has in Promigas.

### Corficolombiana Consolidated - Statement of Income

(Billions of Colombian Pesos)	2012	2013
Net Interest Income	79	163
Total Provisions, Net	-1	5
Total Commissions and Other Services Income, Net	44	42
Total Other Operating Income	452	786
Total Operating Expenses	143	156
Total Non-operating Net Income	145	8
Income Tax and Related Taxes	175	205
Minority Interest	98	93
<b>Net Profit</b>	<b>304</b>	<b>539</b>

Source: Banco de Bogotá Consolidated Financial Statements.  
Figures presented according to the methodology defined by the Bank.

In turn, the **Net Profit** for 2013 was COP 539 billion, recording a growth of 77.1% compared to 2012, a result attributable to the good management of fixed income and equity securities. Of the **Income** generated by the trading of capital investments, that received from dividends of the companies in which Corficolombiana has a share (COP 308 billion) and from valuation of investments (COP 333 billion) stand out.

Corficolombiana - Main Indicators		
	Dec-2012	Dec-2013
ROAA <sup>(1)</sup>	2.6%	4.0%
ROAE <sup>(2)</sup>	10.2%	15.3%
Administrative Efficiency <sup>(3)</sup>	24.2%	46.5%

(1) Net profits for the year / Average assets for the current year - previous year.

(2) Net profits for the year / Total average equity for the current year - previous year.

(3) Operating expenses before depreciation and amortization / Total operating income before provisions.

## Sociedad Administradora de Fondos de Pensiones y Cesantías, Porvenir S.A. (Consolidated)

On December 31, 2013, the merger by absorption of the Administradora de Fondos de Pensiones Horizonte was carried out, allowing **Porvenir to become the largest pension and severance payment fund manager, in terms of managed resources and number of members.**

At December 2013, the funds managed by Porvenir amounted to COP 64.0 trillion, with shares of 43.9% in mandatory pension funds, 49.9% in severance payment funds and 19.9% in voluntary pension funds.

In **Mandatory Pensions**, the resources managed by Porvenir amounted to COP 69.1 trillion in December 2013, with 6,189,877 members.

In the case of **Severance Payments**, in December 2013 Porvenir managed resources of COP 3.3 trillion. It had 3,483,403 members for this segment at the close of the same period.

In terms of **Voluntary Pensions**, the resources managed amounted to COP 2.7 trillion in December 2013. Porvenir had 142,174 members in this business line at the end of the period in question.

At the close of 2013, Porvenir is the leader of the pensions and severance pay markets in Colombia, thanks to the merger with AFP Horizonte.

As of December 2013, total **Assets** for Porvenir amounted to COP 1,645 billion, which represents an increase of 79.4% compared to the same month the previous year. This is in response to the increase in marketable investments in equity securities, represented by equalization reserves from the purchase of AFP Horizonte. **Liabilities**, at COP 516 billion, also exhibit a significant variation (340.6%), which is the product of the debt acquired to close the purchase in question.

Porvenir's **Net Profit** at December 2013 was COP 202 billion, less than the results of 2012 due to reduced income from valuation of investments. This is a product of increased long term and short term rates in the yield curve of TES securities, as well as increased spending from the integration of AFP Horizonte.

Porvenir Consolidated - Main Financial Statement Figures		
(Billions of Colombian Pesos)	Dec- 2012	Dec- 2013
Assets	917	1,645
Liabilities	117	516
Equity	800	1,129
Net Profit for the Year	214	202
<b>Profitability Ratios</b>		
ROA <sup>(1)</sup>	24.9%	15.7%
ROE <sup>(2)</sup>	30.1%	20.9%

Source: Banco de Bogotá's Consolidated Financial Statements.

(1) Net profits for the year/ Average of assets at the end of the current period and the end of the previous period.

(2) Net profits for the year/ Average of equity for the end of the current period and the end of the previous period.

## Fiduciaria Bogotá S.A.

Fidubogotá continues to be a sector leader, consolidating its position and also generating significant added value for its shareholders with managed **Assets in Trust** totaling COP 43,187 billion as of December 2013, with 34.9% annual growth, primarily due to increased resources in management trusts.

As of December 2013, the **Real Estate Investment Trusts** managed by Fidubogotá amounted to COP 6,450 billion, which represents an annual growth of 70.4%. Fiduciaria Bogotá has actively participated in this activity by managing the national government's free housing program.

Compared to the second semester of 2012, total assets managed by the **Fiduciary Management** business line grew 108.1%, shifting from COP 5,100 billion to COP 10,612 billion, with customers in different sectors of the economy such as Oil and Gas, Construction, Financial and Government. Pension Funds also stand out, totaling COP 15,771 billion at the close of December 2013.

With regard to the fiduciary sector, Fidubogotá has a 15.1% share in net profits as of December 2013, and is ranked the number three trust fund in that category.

As of December 2013, **Net Profit** is COP 52 billion. As part of the results, net operating income amounted to COP 135 billion,<sup>11</sup> of which COP 106 billion were generated by collective portfolio commissions and fiduciary services, and COP 23 billion from dividends received from Porvenir. It is worth noting that the smaller profit is due to market movements that affected income because of valuation of investments in equity securities and a decrease in income from commissions for pension services.

<sup>11</sup> Figures presented according to the methodology defined by the Bank.

## Fidubogota - Main Financial Statement Figures

(Billions of Colombian Pesos)	Dec-2012	Dec-2013
Assets	210	235
Liabilities	51	50
Equity	159	184
Net Profit for the Year	58	52
<b>Profitability Ratios</b>		
ROA <sup>(1)</sup>	29.6%	23.5%
ROE <sup>(2)</sup>	39.7%	30.5%

(1) Net profits for the year/ Average of assets at the end of the current period and the end of the previous period.  
 (2) Net profits for the year/ Average of equity for the end of the current period and the end of the previous period.

## Almaviva S.A.

As of December 2013, the value of the merchandise under the responsibility of Almaviva amounted to COP 1,978 billion, growing 44.0% compared to the COP 1,373 billion recorded for the same period the previous year. This merchandise generated income in **Storage Services** of COP 74 billion.

During 2013, Almaviva maintained its position as the **main logistics operator** and goods storage agency in the country.

In the **Customs Services** business line, Almaviva maintained its growth trend, shifting from 162,895 import declarations registered in December 2012 to 194,603 one year later.

In **Management and Distribution** for 2013, the number of transported units was 75,488,049, generating income of COP 19.6 billion. Finally, in the **Goods Transport** segment, the number of kilos transported during 2013 was 7.5 million, generating income for the company of COP 14.4 billion.

## Almaviva Consolidated - Main Financial Statement Figures

(Billions of Colombian Pesos)	Dec-2012	Dec-2013
Assets	206	209
Liabilities	51	54
Equity	155	155
Net Profit	16	29
<b>Profitability Ratios</b>		
ROAA <sup>(1)</sup>	7.8%	13.7%
ROAE <sup>(2)</sup>	10.6%	17.5%

Source: Banco de Bogotá Financial Statements.

(1) Net profits for the year/ Average of assets at the end of the current period and the end of the previous period.  
 (2) Net profits for the year/ Average of equity for the end of the current period and the end of the previous period.

The **Net Profit** at the close of the year was COP 28.6 billion, with annual growth of 79%. This is explained in large part by extraordinary income resulting from the sale of a warehouse in the city of Bogotá in May 2013, which generated profits of COP 16.5 billion.

## Banco de Bogotá S.A. Panamá and Subsidiary

As of December 2013, Banco de Bogotá Panamá had **Assets** in the order of USD 1,040 million, with a 24.8% increase as compared to the previous year (USD 834 million). Of the total assets, USD 490 million pertain to the loan portfolio, with a 6.2% variation compared to December 2012 (USD 461 million).

The **Investment** portfolio grew USD 98 million (42.3%) over the last year, which is explained by greater investment in corporate, emerging and sovereign debt securities from Latin America, in line with the strategy the Bank has been implementing. As of December 2013, this portfolio represented 31.6% of assets.

The **Liabilities** of Banco de Bogotá Panamá amounted to USD 976 million, increasing by 26.2% compared to December 2012 (USD 774 million). Funding is carried out through deposits, which represent 99.6% of liabilities. During the last year these showed a growth of 27.1%, which is explained by new deposits from international and corporate customers. Banco de Bogotá Panamá had **Equity** of USD 64 million as of December 2013.

Banco de Bogotá Panamá Consolidated		
(Millions of Dollars) <sup>(1)</sup>	Dic-2012	Dic-2013
<b>Assets</b>	<b>834</b>	<b>1,040</b>
Net Loans	461	490
Investments	232	329
<b>Liabilities</b>	<b>774</b>	<b>976</b>
Deposits	765	972
<b>Equity</b>	<b>60</b>	<b>64</b>
Net Profit	6	5
<b>Profitability Ratios</b>		
ROA <sup>(2)</sup>	0.7%	0.6%
ROE <sup>(3)</sup>	9.8%	8.4%

Source: Banco de Bogotá Consolidated Financial Statements.

(1) Figures under Colombian regulations for the financial sector.

(2) Net profit for the year/ Average of assets at the end of the current period and the end of the previous period.

(3) Net profit for the year/ Average of equity for the end of the current period and the end of the previous period.

The **Net Profit** at the close of 2013 amounted to USD 5 million, representing a 10.5% decrease compared to the previous year (USD 6 million). This decrease is explained by a reduced volume of dividends received from Banco de Bogotá Nassau and greater loan provisions, in line with the disbursements made throughout the year.



## Contribution to the Country's Economic Development

In 2013, our Bank exhibited dynamic growth that allowed for the generation of economic value to the national economy. Our Generated Economic Value, Distributed Economic Value and Retained Economic Value<sup>12</sup> illustrate in figures the economic profitability we generated in 2013, as well as the way in which we distributed this value among the different stakeholders:

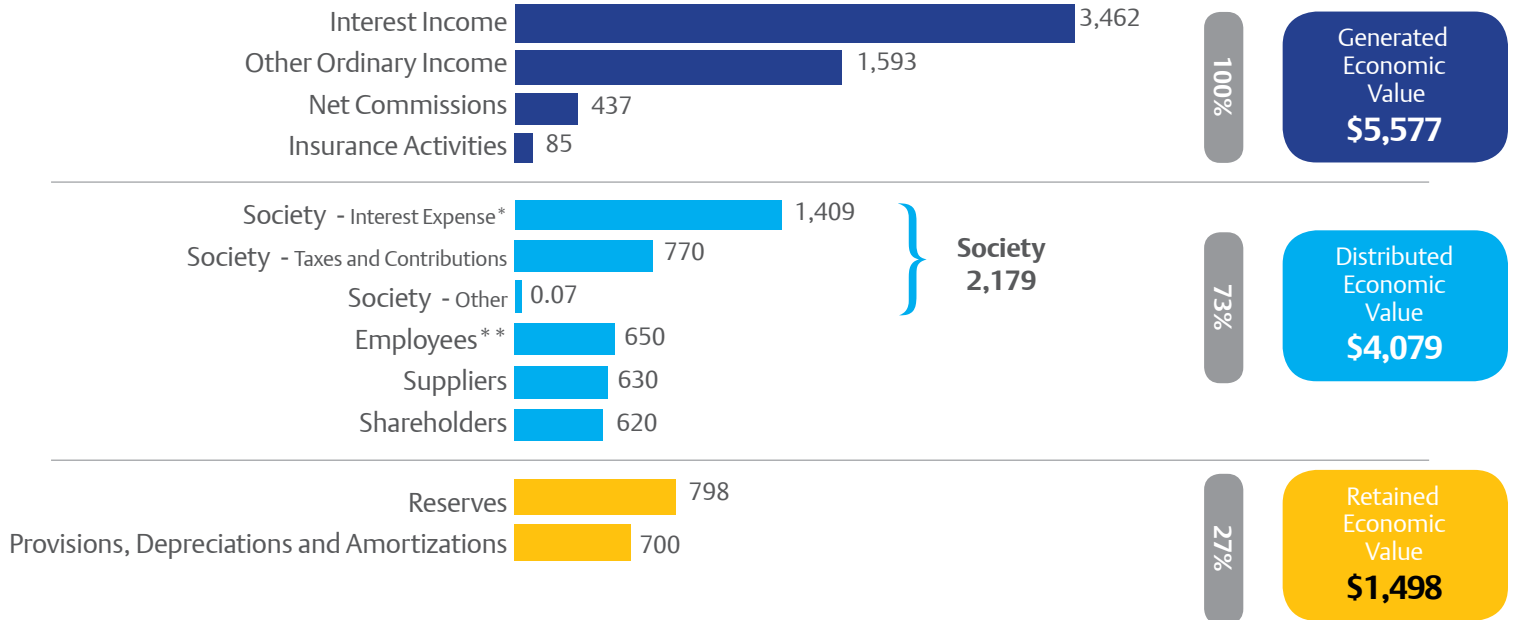
### Banco de Bogotá

#### Generated, Distributed and Retained Economic Value

(Billions of Colombian Pesos)

#### Distribution of the economic value to stakeholders

January - December 2013



(\*) Interest expense is distributed as follows: Deposits and current liabilities / Bank loans and other financial obligations, among others.

(\*\*) Employees includes: Labor expenses / Temporary Staff / Outsourcing.

Between 2012 and 2013, the Economic Value we generated grew COP 466 billion, totaling COP 5,577 billion, a figure that represents the payment we received by providing our financial services and placing our products on the market. Of the Generated Economic Value, 62.1% was from interest income, 28.6% from other ordinary income, such as investments and dividends, and 9.3% from net commissions and insurance activities.

<sup>12</sup> The current Generated, Distributed and Retained Economic Values were calculated following the methodology described for that purpose by the G-3 GRI Guide. The Global Reporting Initiative (GRI) is an organization created to promote and develop world standards to measure and present corporate management reports. Values used in this methodology come from the Banco de Bogotá's Financial Statements.

### Distribution of Generated Economic Value to Stakeholders

Our Distributed Economic Value increased by COP 328 billion, shifting from COP 3,751 billion between January and December 2012 to COP 4,079 billion in the same period for 2013.

Within this distribution, the amount designated for **society** has the highest line item with 39%, representing interest expense (25.2%) paid to our customers, to other financial institutions, obligations and discounts in repo operations, in the payment of taxes to the State (13.8%) and donations of funds to various foundations and institutions that are engaged in social, educational and cultural projects, among other things. Meanwhile, 11.7% is distributed to our **employees** and corresponds to salaries, bonuses, social security contributions and indemnities, as well as temporary staff who work for

our organization and outsourcing. A further 11.1% is to pay dividends to our **shareholders**, and the remaining 11.3% to pay our **suppliers**, who fulfill our needs for products or services, allowing us to perform our activities efficiently.

Our Retained Economic Value between January and December 2012 and January and December 2013 shifted from COP 1,360 billion to COP 1,498 billion. This important line item is set aside to constitute reserves and provisions, amortizations and depreciations that will protect the implementation of our expansion projects in the medium-long term and ensure business continuity.

In conclusion, of the Bank's total Generated Economic Value, 73.1% is distributed among our different stakeholders and 26.9% corresponds to the economic value retained for the organization.

### Banco de Bogotá

#### Distribution of Generated Economic Value

(% Accumulated from January to December 2013)

Source: Banco de Bogotá

